

FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Tel 847 318-7575
Fax 847 318-7588

Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals of a Memorandum of Lease Agreement, dated March 18, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation Number 24428. The names and addresses of the parties to the enclosed document are:

Owner: ATEL Leasing Corporation
600 California Street, 6th Floor
San Francisco, California 94108

Lessee: FGDI, LLC
19901 N. Dixie Highway
Bowling Green, OH 43402

Lessor/Manager: First Union Rail Corporation
One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

A description of the railroad equipment covered by the enclosed document is twenty-four (24) 4750 cu. ft. covered hopper cars, with AFCX marks (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5387. Thank you for your cooperation in this matter.

Very truly yours,


Georgia Freiburger
Manager of Documentation

Enclosures

(FGDI010)

RECORDATION NO. 24428-F FILED

APR 14 '04

10-08 AM

SURFACE TRANSPORTATION BOARD



VIA UPS 2nd DAY AIR

April 9, 2004

ASSGN. NO.: FGDI010

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 18th day of March, 2004 by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, acting in its capacity of agent for ATEL Leasing Corporation, as trustee, for the benefit of ATEL Capital Equipment Fund VIII, LLC., ("Owner") under a Railcar Management Agreement dated as of April 1, 2002, as amended, and FGDI L.L.C. a limited liability company, ("Lessee").

W I T N E S S E T H:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of August 22, 2002, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 9 to the Lease Agreement (the "Rider"), as more particularly described on Exhibit A attached hereto, effective as of March 5, 2004, and subject to the terms, conditions and provisions of the above-described Lease Agreement and Rider. The Rider, as it incorporates the terms and conditions of the Lease Agreement, is a separate and independent lease, (the "Lease").

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION,
as AGENT for ATEL LEASING CORPORATION,
as Trustee

By: Richard F. Seymour

Name: RICHARD F. SEYMOUR
Vice President Sales & Marketing

Title: _____

LESSEE:

FGDI L.L.C.

By: Michael L. Coucke

Name: Michael L. Coucke

Title: AUP-Transportation

RECORDATION NO. 24428-F FILED

APR 14 '04

10-08 PM

SURFACE TRANSPORTATION BOARD

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid,
certify that RICHARD F. SEYMOUR personally appeared before me this day and
acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 18th day of March, 2004.

Susan Grokulska
Notary Public

Commission Expires:

8-14-2004
(Notary Public)



[CORPORATE SEAL]



STATE OF OHIO

COUNTY OF WOOD

I, DONALD EUGENE FINN, a Notary Public of the County and State aforesaid,
certify that MICHAEL L COURTER personally appeared before me this day and
acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 11th day of MARCH, 2004.

Donald Eugene Finn
Notary Public

Commission Expires:

5/22/08
(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Twenty-Four (24) Cars

DESCRIPTION OF CARS: 4,750 cubic foot capacity, 3 pocket, 1981 Pullman Standard Covered Hopper
Cars with gravity gates and trough hatches, 263,000 lbs. GRL

CAR NUMBERS:

AFCX 834312
AFCX 834328
AFCX 834400
AFCX 834464
AFCX 834474
AFCX 834481
AFCX 834509
AFCX 834593
AFCX 834616
AFCX 834617
AFCX 834644
AFCX 834667
AFCX 834674
AFCX 834682
AFCX 834708
AFCX 834718
AFCX 834727
AFCX 834728
AFCX 834743
AFCX 834747
AFCX 834770
AFCX 834781
AFCX 834791
AFCX 834803
Count: 24